

Realty Trust Review

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INVESTMENT OUTLOOK AND STATISTICAL ISSUE

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INVESTMENT OUTLOOK: REIT STOCKS CONTINUE TO OUTPERFORM OVERALL STOCK MARKET

Market action in the past month has validated our observation (RTR, Feb. 9) that recovering REIT stocks are a good hedge against general market uncertainties.

All REIT stocks in our monthly computer run jumped 5% the past month, v. a 1½% decline for the Dow-Jones Industrials (see Comparative Trust Group averages, p. 3). The mortgage/foreclosed property group rose 6.8% and the property and mortgage combination group jumped 7.2%, meaning investors continue to put their money on generally sound recovery situations with relatively clean balance sheets and some upside potential in the assets. These are stocks we've moved to the top of Relative Appeal Rankings.

This same pattern shows in the Audit Investment Index on p. 2, with mortgage--no dividend trusts up 5.3% for the month. Property trusts rose 2.9% while the mortgage--dividend paying were up only 1.9%. We outline the reasons for this lagging by the dividend payers in our review of Equitable Life Mtg.'s latest quarter on p. 7.

Last month's big gainers are mostly on page 5 of the statistical printout--mainly the non-dividend paying non-qualified trusts and business corporations. Great American Mgmt. & Inv. was by far the month's biggest gainer, soaring 126% on near-approval of its bankruptcy plan (see p. 2). NJB Prime and Continental Mtg., both in bankruptcy proceedings, rose 60% and 58% respectively, indicating a lot of percentage action in the

(Turn page)

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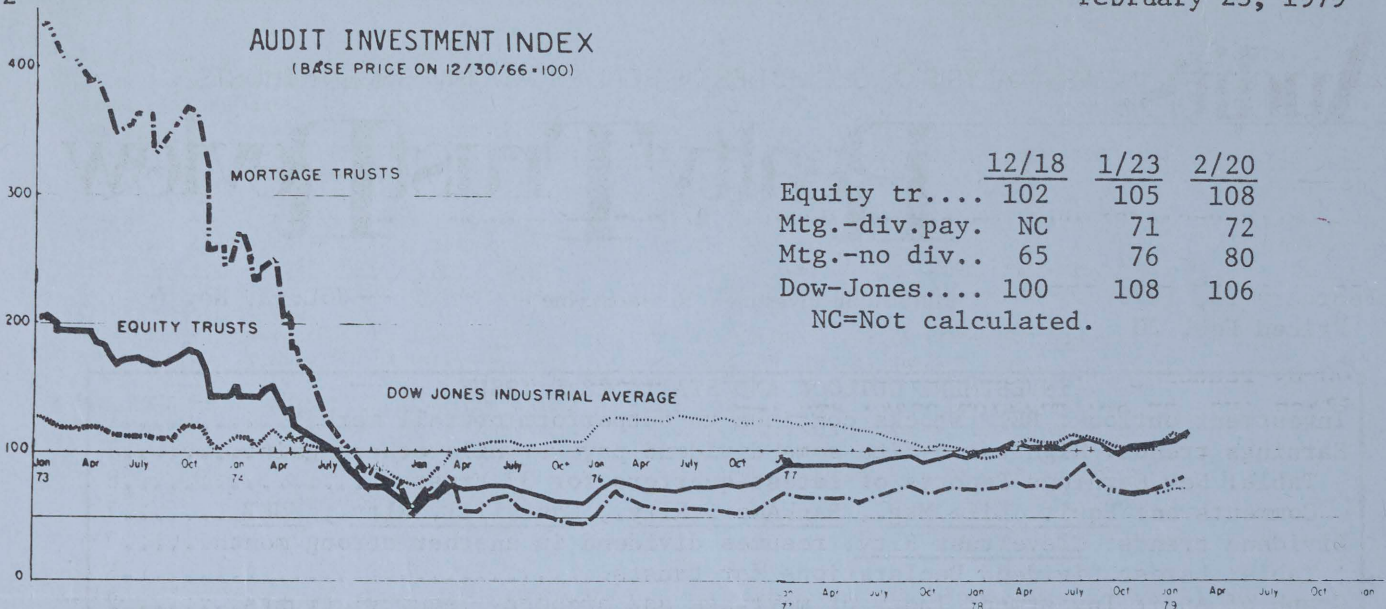
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AUDIT INVESTMENT INDEX

(BASE PRICE ON 12/30/66 = 100)

Market Price Index



very speculative (but potentially rewarding) reorganizations. Other big gainers included Continental Illinois Realty, buoyed by a big earnings and book value gain keyed to major recovery of loss reserves (see p. 8). Many other stocks are beginning to report similar recoveries.

But playing the workouts has hazards. Example: Chase Manhattan Mtg. & Rlty. filed a voluntary Ch. XI bankruptcy petition at press time to seek protection from creditors while it worked out details of its previously announced reorganization plan (see RTR, Feb. 9 for summary). An attorney indicated the unexpected step was taken to provide a central forum for negotiations with creditors, including committees organized for several bondholder groups. Approval may take some time now and moves to put CMR under a court-appointed trustee in Ch. X cannot be ruled out.

EXCHANGES/WORKOUTS: GREAT AMERICAN PLAN NEAR APPROVAL; METROPLEX FILES PLAN

An Atlanta bankruptcy court is near approving Great American Mgmt. & Inv.'s bankruptcy plan (RTR, Dec. 22), after all classes of creditors voted in favor and the Securities & Exchange Commission withdrew a motion to move the trust into Ch. X. GAMI emerges as a major property owner. A reverse 1-for-4 stock split is part of the plan.

Metroplex Realty (formerly Justice Mtg.) filed a proposed plan that would give bondholders 90% of stock. The

trust has been embroiled in complex negotiations to end bankruptcy and a class action lawsuit. The plan must be approved by creditors.

BLOCK BUYERS: BIG BUYER SURFACES IN MISSION INV.: UNITED AND VIRGINIA BUYBACKS

Intermark, Inc., LaJolla, Cal. diversified company with printing and consumer products interest, has bought over 5% of Mission Investment's stock. Reasons for the purchase aren't clear. Mission earlier rejected a merger offer from a Las Vegas property company.

United Realty's chairman Lawrence J. Weinberg has paid about \$12.55/sh. (total \$3.6 million) for 285,700 sh. of URT that had been owned by Federated Reinsurance Corp. The package included settlement of URT's suit to halt purchases and agreement Federated wouldn't buy more stock for five years. Virginia REIT bought 90,000 sh. at \$13 (\$1.17 million total) from former trustee J. Smith Ferebee.

IMPORTANT STATISTICAL NOTE: DEPRECIATION NOW INCLUDED IN BOOK VALUE FOR SOME TRUSTS

With this issue we have restated book value for most property trusts to include both net book value under general accounting principles and accumulated depreciation. We've long evaluated these trusts for their net cash flow (denoted with a "£" symbol in the statistical tables). The change will mean that their net cash flow will now be measured as percent return on gross book value.

DIVIDEND TRENDS: CLEVETRUST REALTY RESUMES PAYOUT TO MARK STRONG MONTH

CleveTrust Realty Trust Investors rejoined the ranks of dividend payers with a 5¢/sh. quarterly declaration. Management said it intended to continue this quarterly rate for the time being.

CleveTrust set the stage for resumption by reducing its bank debt to \$18 million (vs. an \$81 million peak) and replacing a short-term credit with a new \$28 million, five-year pact that gives it greater flexibility. CleveTrust began as a balanced, or property and mortgage trust, but the mortgage loans hit troubles and forced dividend suspension after the August 1974 payment. About two-thirds of assets are now properties, including foreclosures.

Nine other trusts boosted payouts in February, including an 86% jump by Henry S. Miller Realty; three successive 30¢

Trust	Record date	--Quarterly dividend/share--			-X Chng. from-	
		Latest	Previous	Year-ago	Prev.Q	Yr-ago
BankAmerica Rlty.....	3/2	\$0.25	\$0.25	\$0.15	UC	+67%
CLEVETRUST REALTY TR..	3/15	0.05	---	---	+100%	+100
Consolidated Capital...	2/17	0.1717M	0.1717M	0.1717M	UC	UC
General Real Estate...	5/15	0.30	0.13	0.33	+131	-10
" " "	8/15	0.30	0.30	0.33	UC	-10
" " "	11/15	0.30	0.30	0.34	UC	-12
Miller (Henry S.) Rl..	3/6	0.52	0.28	0.20	+86	+160
Mortgage Growth Inv...12/29/78		0.18	0.16	0.12	+13	+50
Nationwide Real Est...	2/28	0.12	0.10	0.04	+20	+200
Pacific Southern Mtg...	2/12	0.20	0.18	0.15	+11	+33
Property Capital Tr...	2/28	0.33	0.30	0.30	+10	+10
Property Tr. of Amer...	2/23	0.09	0.08	0.07	+13	+29
Realty Income Trust...	3/2	0.35	0.35	0.35	UC	UC
Realty Refund Trust...	2/18	0.41	0.42	0.53	- 2	-23
San Francisco RE.....	2/9	0.40	0.35	0.30	+14	+33
Terrydale Realty Tr...	2/22	0.40	0.40	0.37	UC	+ 8
University REIT.....	2/21	0.06M	0.06M	0.06M	UC	UC
Virginia REIT.....	2/15	0.20	0.20	0.10	UC	+100
Washington REIT.....	3/5	0.49	0.47	0.45	+ 4	+ 9

UC=Unchanged. M-Monthly. S-Semiannual. EX=Year-end extras. L-Liquidating.
NC=Not compared. Trusts reducing dividend from previous quarter underlined.
Trusts resuming dividends IN CAPS. a- Adjusted for stock splits.

payouts for the rest of 1979 by General Real Estate Shares; and good boosts by Mortgage Growth (up 13%); Nationwide Re (up 20%); San Francisco RE (up 14%); Property Trust of America (up 13% and the second consecutive quarterly boost); Pacific Southern Mtg. (up 11%); and Property Capital Trust (up 10%).

COMPARATIVE TRUST GROUP AVERAGE 02/20/79

GROUP	QUAL	NON-QUAL	TOTAL	SHARE (000)	BOOK VALUE	ANN DIV*	EARN ANN*	LAST PRICE	-% CHNG MON AGO	FROM-- JAN 1	P/E RATIO	ANN* YIELD	% PR TO BK	RETURN ON BK	MARKET VALUE	
PROPERTY-LARGE	21	0	21	2247	16.55	1.10	1.24	13.52	3.8	4.4	10.9	8.1	-18.3	7.5	704.3	
-SMALL	7	0	7	956	14.50	1.15	1.30	11.64	3.8	7.1	9.0	9.9	-19.7	9.0	74.6	
-SUBOR LAND	3	0	3	1862	16.16	1.27	1.25	11.67	5.2	0.7	9.3	10.9	-27.8	7.8	55.9	
AVERAGE 3 PROP GROUPS			31	1918	16.05	1.12	1.25	12.91	3.9	4.6	10.3	8.7	-19.5	7.8	834.8	
PROP & MTG COMBINATION	13	10	23	2186	11.75	0.47	0.75	7.56	7.2	11.8	10.0	6.2	-35.7	6.4	437.4	
SHORT-TERM MTG	11	0	11	1757	15.16	0.62	0.88	9.31	4.5	10.4	10.6	6.7	-38.6	5.8	194.2	
LONG-TERM MTG/PROP	13	0	13	3483	14.70	1.00	0.98	10.20	3.9	11.0	10.4	9.8	-30.6	6.7	448.4	
MTG/FCLSD PROP-MISC	7	7	14	2726	5.13	0.00	1.13	3.11	2.3	20.3	2.7	0.0	-39.3	22.2	117.5	
-BANK	0	16	16	2194	5.57	0.01	0.36	3.58	6.0	17.0	10.1	0.3	-35.8	6.4	104.4	
-INDEPEND	0	32	32	3229	0.49	0.00	0.31	2.14	10.5	20.5	7.0	0.0	339.4	62.8	170.9	
AVERAGE 3 MTG/FCLSD PROP			62	2848	2.84	0.00	0.50	2.73	6.8	19.2	5.4	0.1	-4.1	17.8	392.8	
OVERALL AVERAGE	75	65	140	2506	9.30	0.47	0.78	6.99	5.0	9.6	8.9	6.7	-24.9	8.5	2307.6	
DOW-JONES INDUSTRIAL AVERAGE								101.59	834.55	-1.5	3.7	8.2	5.9			

*LATEST QUARTER ANNUALIZED

STRAIGHT BONDS

ISSUER & DESC.	EX	INT.	MAT	MIL \$	PRICE	% CHANGE	% YIELD
BARNETT MTG-C	OC	6.75	'91	5.3	50.00	11.1	13
BAY COLONY PROP-B	PS	8.50	'89	17.0	68.75	9.1	12
BAY COLONY PROP-C	NY	8.50	'81F	6.8	89.50	2.9	9
BT MTG INV-C	OC	5.75	'82	19.4	53.00	0.0	10
CHASE MAN TR-A	OC	7.88	'78F	36.7	82.50	11.5	DEF
CHASE MAN TR-C	OC	7.50	'83	41.2	43.50	13.0	DEF
CITIZN & SO RLTY-B	PS	3.00	'93	25.0	60.00	0.0	5
CITIZNS MTG INV-B	OC	8.50	'80	20.0	35.00	-2.7	VJ
CONT ILL RLTY-B	NY	7.63	'79	25.0	93.75	1.9	8
COUSINS M&E-C	NY	6.50	'82F	30.0	68.38	4.0	9
DOMINION MTG-C	OC	8.00	'87	11.0	48.00	4.3	VJ
FIRST MTG INV-A	OC	6.75	'82	9.1	52.00	-1.8	13
FIRST NEWPORT-B	OC	8.75	'79	6.9	93.00	2.2	9
FIRST VA MTG-A	OC	4.00	'80	15.0	73.00	4.3	5
FIRST VA MTG-BM	OC	11.50	'80	5.0	82.00	2.5	14
GMR PROPERTIES-B	AS	7.70	'80	5.1	91.00	1.1	8
GMR PROPS-B	OC	8.50	'87	15.3	65.00	0.0	13
GREAT AMER MGMT-B	OC	7.55	'79	25.0	46.00	43.8	VJ
GREAT AMER MGMT-C	OC	8.75	'83	25.0	28.00	51.4	VJ
GROWTH RLTY-C	NY	6.75	'82	9.2	75.00	0.0	9
GUARDIAN MTG-B	PH	7.50	'79	25.0	41.88	19.7	VJ
GUARDIAN MTG-C#	OC	6.75	'86	8.6	31.00	14.8	VJ
IDS REALTY-H	OC	---	---	99.0	60.00	0.0	NC
INST INVESTOR-B	OC	8.25	'87	15.2	65.00	0.0	12
INSTIINL INV-B	NY	7.88	'80	6.5	89.00	3.8	8
JUSTICE MTG-B	OC	7.75	'79	9.6	52.00	23.8	VJ

STRAIGHT BONDS

ISSUER & DESC.	EX	INT.	MAT	MIL \$	PRICE	% CHANGE	% YIELD
MIDLAND MTG-B	NY	8.00	'80	14.9	89.50	2.9	8
MTG INV WASH-BG	OC	11.25	'80	15.0	82.00	1.2	13
NATIONWIDE RE-C	OC	7.00	'91	6.5	72.00	2.1	9
NJB PRIME INV-C	OC	7.00	'80F	4.7	40.00	25.0	VJ
NO AMER MTG-B	PS	8.50	'87	12.1	62.00	3.3	13
NO AMER MTG-C	NY	5.50	'79	16.3	83.25	-4.8	6
REALTY REFUND	NY	11.38	'98	20.0	94.25	1.3	12
REALTY REFUND-C	NY	12.00	'98	15.0	96.00	0.0	12
SAUL (B.F.)-C	NY	8.50	'80	25.0	94.75	0.4	9
SECURITY MTG-C#	AS	7.25	'82	37.5	88.00	3.5	8
SECURITY MTG-C#	OC	6.00	'82	5.3	65.00	-2.9	9
SO ATLANTIC-C#	NY	6.75	'82F	16.9	72.00	2.9	9
STATE MUT INV-B	NY	9.00	'80F	6.2	93.50	2.7	9
TRI-SOUTH MTG-B	NY	7.75	'80F	11.4	91.00	1.4	8

DESCRIPTION: A-SENIOR; B-SENIOR SUBORDINATE; C-SUBORDINATE OR JUNIOR SUBORDINATE. D-3% TO 9/30/82, 7% AFTER. M-VARIABLE AT 1 1/2% OVER MONTHLY PRIME. G-VARIABLE AT 1 1/4% OVER PRIME IN OCT. AND APRIL. H-FIVE SERIES, A-E: 6-7/8%, 7-1/8%, 7-3/8%, TWO VARIABLE; 1987-94. VJ-BANKRUPTCY REORGANIZATION.
X-SUSPENDED BY EXCHANGE. DEF-IN DEFAULT.
#-MAY BE USED AT PAR TO EXERCISE WARRANTS.
F-TRADES FLAT, WITHOUT ACCRUED INTEREST.
INSERTIONS: CITIZN & SO RLTY 3s of '93; GMR PROPS 8.5s of '87; INST INVESTOR 8.25s of '87.
TRANSFER: BARNETT MTG 8.5s of '98 TO CONVERTIBLES ON PAGE 6.

		EXCH/ SYMBOL	SHARE (000)	BOOK VALUE	ANN DIV*	-EARNINGS-- MON ANN*	LAST PRICE	% CHANGE FROM- MON AGO JAN 1	P/E RATIO	ANN* YIELD	% PR TO BK	RETURN ON BK	MKT VA (MIL\$)		
PROPERTY TRUSTS-OVER \$25M ASSETS															
NR	AMER EQUITY IT#	OC-AEQTS	2497	10.64	1.12	SEP	0.87	9.00	20.0	12.5	10.3	12.4	-15.4	8.2	22.5
2N	API TRUST	OC-API TS	1012	7.11	0.00	SEP	0.00	2.00	0.0	-6.1	0.0	0.0	-71.9	0.0	2.0
NR	CMNWLT RLTY #	OC-CRTYC	1180	10.95	0.80	AUG	1.48	9.25 X	-0.5	-2.6	6.3	8.6	-15.5	13.5	10.9
4	CONSOL CAP RLY#	OC-CCPLS	1989	24.66	2.06	AUG	1.24	27.00 X	2.5	8.0	21.8	7.6	9.5	5.0	53.7
1	CONT ILL PROP#	NY-CIE	4808	23.41	1.36	OCT	1.44	16.38	4.8	4.8	11.4	8.3	-30.0	6.2	78.8
2	DENVER REIA#	OC-DENVS	1101	16.08	0.72	SEP	2.04	13.00	6.1	23.8	6.4	5.5	-19.2	12.7	14.3
1	FEDERAL REALTY#	AS-FRT	1450	13.34	1.36	SEP	1.00	15.38	-2.3	3.4	15.4	8.8	15.3	7.5	22.3
2	FIRST UNION #	NY-FUR	4292	16.66	1.08	OCT	1.24	11.25	3.4	4.7	9.1	9.6	-32.5	7.4	48.3
1	FLORIDA GULF#	OC-FGLFS	995	19.97	1.28	OCT	1.40	11.75	-2.1	0.0	8.4	10.9	-41.2	7.0	11.7
3	GENERAL GROWTH#	NY-GGP	6202	10.33	1.56	DEC	1.91	27.38	1.4	3.8	14.3	5.7	165.1	18.5	169.8
2	GOULD INVESTOR#	AS-GTR	1174	17.46	0.88	DEC	1.58	10.00	8.1	15.9	6.3	8.8	-42.7	9.0	11.7
1	GREIT REALTY #	AS-GRT	998	25.31	0.40	OCT	0.72	7.13	3.6	0.0	9.9	5.6	-71.8	2.8	7.1
2	HUBBARD REI	NY-HRE	4004	24.76	1.52	OCT	1.88	16.75	-2.2	3.8	8.9	9.1	-32.4	7.6	67.1
2	NEW PLAN RLTY#	OC-NPLNS	2537	5.23	0.78	JUL	0.00	9.25	0.0	0.0	0.0	8.4	76.9	0.0	23.5
1	PENN REIT #	AS-PEI	1516	26.16	1.45	NOV	2.52	16.00 X	0.6	-1.5	6.3	9.1	-38.8	9.6	24.3
NR	PRUDENT REIT#	AS-PRU	3146	8.58	0.24	AUG	0.44	4.38	12.9	34.8	10.0	5.5	-49.0	5.1	13.8
2	REIT OF AMERICA	AS-REI	1633	21.73	1.40	NOV	1.76	16.13	3.2	3.2	9.2	8.7	-25.8	8.1	26.3
2	SAN FRAN RE #	AS-SFI	1376	24.68	1.60	DEC	1.60	19.25 X	6.2	4.1	12.0	8.3	-22.0	6.5	26.5
NR	UNIVERSITY REI#	OC-URETS	2514	8.60	0.72	SEP	0.36	8.25 X	-7.7	-16.5	22.9	8.7	-4.1	4.2	20.7
2	VIRGINIA REI#	OC-VARES	1251	14.05	0.80	SEP	0.76	12.00 X	3.8	2.1	15.8	6.7	-14.6	5.4	15.0
2	WASH REIT #	AS-WRE	1518	17.90	1.96	SEP	1.72	22.38	1.1	6.6	13.0	8.8	25.0	9.6	34.0
GROUP AVERAGE			2247	16.55	1.10		1.24	13.52	3.8	4.4	10.9	8.1	-18.3	7.5	704.3
PROPERTY TRUSTS-SPECIALITY PROPS & UNDER \$25M ASSETS															
NR	GENERAL RE #	OC-GRELS	557	16.04	1.03	SEP	0.87	7.50 X	1.7	0.0	8.6	13.7	-53.2	5.4	4.2
1	HOTEL INVESTOR#	AS-HOT	1568	19.96	1.80	NOV	2.32	17.25	-0.7	8.6	7.4	10.4	-13.6	11.6	27.0
NR	PITTS & W VA RA	AS-PW	1510	22.72	0.56	SEP	0.80	6.00	4.3	4.3	7.5	9.3	-73.6	3.5	9.1
NR	RE INV PROPS #	OC-REIPS	959	8.57	1.08	DEC	1.16	11.25	2.3	2.3	9.7	9.6	31.3	13.5	10.8
NR	REIT OF CALIF	OC-RTCAL	550	9.35	1.28	SEP	1.44	15.00	0.0	0.0	10.4	8.5	60.4	15.4	8.3
NR	TERRYDALE R#	OC-TRYLS	336	21.49	1.60	SEP	1.66	16.50 X	4.0	17.9	9.9	9.7	-23.2	7.7	5.5
NR	US EQUITY & MTG	OC-USEM	1214	3.35	0.68	OCT	0.84	8.00	14.3	14.3	9.5	8.5	138.8	25.1	9.7
GROUP AVERAGE			956	14.50	1.15		1.30	11.64	3.8	7.1	9.0	9.9	-19.7	9.0	74.6
PROPERTY TRUSTS-SUBOR LAND LEASEBACK															
2	ICM REALTY	AS-ICM	3011	15.13	0.50	NOV	0.52	8.25	-7.1	-2.9	15.9	6.1	-45.5	3.4	24.8
2	JMB REALTY	OC-JMBRS	510	19.68	2.00	NOV	1.92	15.50	3.3	1.6	8.1	12.9	-21.2	9.8	7.9
3	PROPERTY CAPITL	AS-PCL	2065	13.68	1.32	JAN	1.32	11.25	5.8	2.3	8.5	11.7	-17.8	9.6	23.2
GROUP AVERAGE			1862	16.16	1.27		1.25	11.67	5.2	0.7	9.3	10.9	-27.8	7.8	55.9
PROPERTY & MTG COMBINATION															
1	BANKAMER RLTY	OC-BRLTS	3547	16.99	1.00	JAN	1.20	12.25	6.5	18.0	10.2	8.2	-27.9	7.1	43.5
3N	BRT REALTY	AS-BRT	1400	2.70	0.00	AUG	0.00	1.63	0.0	30.4	0.0	0.0	-39.6	0.0	2.3
1	CONN GEN M&R#	NY-OGM	5723	20.41	1.80	DEC	2.01	18.25	-2.0	1.4	9.1	9.9	-10.6	9.8	104.4
NR	FLATLEY RLTY #	OC-PLTLS	1000	9.12	0.20	SEP	0.60	3.50	-6.7	-6.7	5.8	5.7	-61.6	6.6	3.5
2N	INDIANA M&R #	OC-INMDS	1154	11.51	0.00	DEC	0.00	4.25	0.0	21.4	0.0	0.0	-63.1	0.0	4.9
2	INVESTORS RL#	AS-IRT	1479	14.24	0.60	NOV	0.64	8.25	8.1	11.8	12.9	7.3	-42.1	4.5	12.2
2	MILLER HENRY S	OC-HSMTS	560	16.95	2.08	NOV	1.16	13.00	4.0	4.0	11.2	16.0	-23.3	6.8	7.3
1	MORTGAGE GROWTH	AS-MTG	2627	10.65	0.72	AUG	0.52	8.13	8.4	18.2	15.6	8.9	-23.7	4.9	21.4
2	PROP TR AMER#	OC-PTRAS	2338	9.01	0.36	SEP	0.51	5.00 X	13.1	8.0	9.8	7.2	-44.5	5.7	11.7
2	REALTY INCOME	AS-RTI	1573	12.11	1.40	OCT	3.32	11.63	5.7	5.7	3.5	12.0	-4.0	27.4	18.3
NR	RIVIERE RLTY #	OC-RIV16	783	13.76	0.60	SEP	1.00	5.25	-4.5	-9.8	5.3	11.4	-61.8	7.3	4.1
2	US BANCORP #	AS-UBT	840	21.29	0.80	NOV	1.80	15.75	5.0	13.5	8.8	5.1	-26.0	8.5	13.2
2	WELLS FARGO M&E	NY-WFM	3919	17.60	1.20	DEC	1.38	11.88 X	-0.6	4.4	8.6	10.1	-32.5	7.8	46.6
GROUP AVERAGE			2073	13.56	0.83		1.09	9.14	4.9	7.6	8.4	9.1	-32.6	8.0	293.4
SHORT TERM MTG-MTG BANKER & MISC FIN SPONSOR															
2	BAIRD & WARNER	OC-BAIDS	1043	15.85	0.05	OCT	0.00	9.50	18.8	26.7	0.0	0.5	-40.1	0.0	9.9
2N	CENTRAL MTG	OC-CMRTS	775	13.42	0.00	DEC	1.41	6.38	4.1	24.4	4.5	0.0	-52.5	10.5	4.9
2	FIRST CONTNL	OC-FCRES	2106	10.34	1.04	NOV	1.08	8.38	8.1	4.8	7.8	12.4	-19.0	10.4	17.6
3	FRASER MTG	OC-FRASS	1038	16.62	1.12	NOV	1.08	10.75	2.4	2.4	10.0	10.4	-35.3	6.5	11.2
2N	HANOVER SQ RLTY	AS-HSQ	946	11.27	0.00	NOV	0.00	6.38	-1.8	-8.9	0.0	0.0	-43.4	0.0	6.0
2	LOMAS & NETLIN	NY-LOM	3700	27.84	1.96	DEC	1.96	16.63 X	-1.5	8.1	8.5	11.8	-40.3	7.0	61.5
2	M&T MORTGAGE	OC-MTMIS	1482	10.29	1.20	NOV	1.28	9.75	2.6	6.8	7.6	12.3	-5.2	12.4	14.4
1N	MTG TRUST AMER	NY-MT	3860	13.33	0.00	NOV	1.22	7.00	9.7	16.7	5.7	0.0	-47.5	9.2	27.0
2	NATIONWIDE RE	OC-NRELS	1047	24.36	0.48	DEC	0.56	13.75	-1.8	10.0	24.6	3.5	-43.6	2.3	14.4
2	SUTRO MTG INV	NY-SUT	2322	15.59	1.00	DEC	1.00	10.13 X	9.3	22.8	10.1	9.9	-35.0	6.4	23.5
2N	WESTERN MTG	BO-WMTGS	1003	7.83	0.00	NOV	0.08	3.75	-6.3	10.9	46.9	0.0	-52.1	1.0	3.8
GROUP AVERAGE			1757	15.16	0.62		0.88	9.31	4.5	10.4	10.6	6.7	-38.6	5.8	194.2
LONG-TERM MTGS & PROPERTIES															
2N	BT MTG INVSTRS	NY-BTM	2116	-3.16	0.00	DEC	0.22	1.75	16.7	40.0	8.0	0.0	-0.0	-0.0	3.7
NR	DEL-VAL FIN CP*	OC-DVALS	1345	9.29	1.38	SEP	1.28	10.75 X	3.5	2.4	8.4	12.8	15.7	13.8	14.5
3	EQUIT LF MTG	NY-EQ	5663	23.43	2.00	JAN	1.84	17.88	-2.0	6.7	9.7	11.2	-23.7	7.9	101.3
1	HOSPITAL MTG#	AS-HMG	1178	23.12	0.60	NOV	0.72	10.00	-4.8	14.3	13.9	6.0	-56.7	3.1	11.8
1	MASSMUTUAL MTG	NY-MML	4670	19.66	1.36	OCT	1.32	13.88	2.8	11.0	10.5	9.8	-29.4	6.7	64.8
2	MONEY MTG INV	NY-MYM	8951	9.79	0.92	NOV	0.68	7.88	-1.5	3.3	11.6	11.7	-19.5	6.9	70.5
3	NOWSTRN MUT MT	NY-NML	4758	19.12	1.00	DEC	0.80	10.00	0.0	0.0	12.5	10.0	-47.7	4.2	47.6
1	PACIFIC SO MTG	OC-PSMTS	800	11.99	0.80	SEP	0.76	8.63 X	10.4	25.4	11.4	9.3	-28.0	6.3	6.9
2	PNB MTG & RLTY	NY-PNI	2437	18.81	1.08	DEC	1.22	10.13	0.0	20.9	8.3	10.7	-46.1	6.5	24.7
3	REALTY REFUND	NY-RRF	1377	17.38	1.64	JAN	1.64	15.75 X	6.0	21.2	9.6	10.4	-9.4	9.4	21.7
2	RLTY & MTG PAC	OC-RPACS	1890	18.07	1.40	NOV	1.52	13.38	1.9	9.2	8.8	10.5	-26.0	8.4	25.3
1N	SECURITY MTG	AS-SMO	6487	5.94	0.00	DEC	0.00	3.63	3.7	7.4	0.0	0.0	-38.9	0.0	23.5
1	UNITED REALTY	AS-URT	3610	17.61	0.80	NOV	0.80	8.88	7.6	9.2	11.1	9.0	-49.6	4.5	32.1
GROUP AVERAGE			3483	14.70	1.00		0.98	10.20	3.9	11.0	10.4	9.8	-30.6	6.7	448.4

#NET CASH FLOW, SEE PAGE 6. *GROSS CASH FLOW. ARROWS DENOTE NEW EARNINGS OR DIVIDENDS AND DIRECTION. ZEROES INDICATE LOSS OR NO EARNINGS FOR QUARTER SHOWN. EXTRAORDINARY GAINS NOT ANNUALIZED. AMERICAN EQUITY & ICM REALTY DIVIDENDS TRAILING 12 MONTHS. PH-PHILADELPHIA EXCHANGE. PS-PACIFIC EXCHANGE. BO-BOSTON EXCHANGE. NR-NOT RANKED. VJ-IN BANKRUPTCY REORGANIZATION. Y-CH. XI REORGANIZATION COMPLETED. Z-CH. XI PROPOSED OR POSSIBLE. -0.0 IN % PRICE TO BOOK INDICATES NEGATIVE BOOK VALUE. CONTINENTAL MTG. EARNINGS FOR 4 MONTHS ENDED JULY 31, 1978 BEFORE RESULT OF INCLUDING OPERATIONS OF SUBSIDIARIES. TRUSTS REPORTED ON A CASH FLOW BASIS AND DENOTED WITH "N" SYMBOL: BOOK VALUE INCLUDES ACCUMULATED DEPRECIATION. BID PRICES SHOWN FOR ALL OVER THE COUNTER STOCKS.

		EXCH/ SYMBOL	SHARE (000)	BOOK VALUE	ANN DIV*	-EARNINGS-- MON ANN*	LAST PRICE	% CHANGE MON AGO	FROM- JAN 1	P/E RATIO	ANN* YIELD	% PR TO BK	RETURN ON BK	MKT VA (MIL\$)	
MTG & FORECLOSED PROPERTY-MISC SPONSOR															
3N	AMER CENTURY MI	NY-ACT	2607	5.13	0.00	DEC	0.00	3.75	0.0	19.8	0.0	0.0	-26.9	0.0	9.8
2N	COLWELL MTG	OC-CLMTS	2030	2.74	0.00	SEP	0.00	1.75	16.7	16.7	0.0	0.0	-36.1	0.0	3.6
3N	CONT ILL RLTY	NY-CLR	2797	5.71	0.00	DEC	3.44	3.88	41.1	47.5	1.1	0.0	-32.0	60.2	10.9
4N	HEITMAN MTG	AS-HTM	3292	2.01	0.00	SEP	0.00	1.63	0.0	18.1	0.0	0.0	-18.9	0.0	5.4
2N	MIDLAND MTG	NY-MMT	2382	0.31	0.00	DEC	0.06	1.75	0.0	0.0	29.2	0.0	464.5	19.4	4.2
3N	MISSION INV TR	AS-MIT	1812	4.88	0.00	NOV	0.00	5.00	11.1	37.7	0.0	0.0	2.5	0.0	9.1
3N	NORTH AMER MTG	NY-NAM	4401	8.17	0.00	SEP	0.00	3.00	-4.2	9.1	0.0	0.0	-63.3	0.0	13.2
GROUP AVERAGE			2760	4.14	0.00		0.50	2.97	9.2	23.8	5.9	0.0	-28.3	12.1	56.2
PROP & MTG COMBINATION-NON-QUALIFIED (MOST INDEPENDENT)															
5N	AMER REALTY	OC-ARB	2222	3.37	0.00	SEP	0.33	2.38	19.0	19.0	7.2	0.0	-29.4	9.8	5.3
2N	BAY COLONY PROP	NY-BAY	3315	6.50	0.00	NOV	0.31	3.75	-3.4	-6.3	12.1	0.0	-42.3	4.8	12.4
2	C I REALTY #	NY-CIX	2609	21.90	0.10	NOV	0.96	15.38	21.8	36.7	16.0	0.7	-29.8	4.4	40.1
3N	CITIZENS GROWTH	OC-CITGS	811	6.85	0.00	OCT	0.02	3.75	15.4	36.4	187.5	0.0	-45.3	0.3	3.0
2N	FRANKLIN RLTY	AS-FR	999	8.13	0.00	DEC	0.71	6.38	27.6	27.6	9.0	0.0	-21.5	8.7	6.4
2N	SAUL (BF) REIT	NY-BFS	5859	4.54	0.00	DEC	0.00	7.63	10.9	19.6	0.0	0.0	68.1	0.0	44.7
2N	SUMMIT PROP #	OC-SMSTS	1543	11.62	0.00	OCT	0.00	3.50	7.7	27.3	0.0	0.0	-69.9	0.0	5.4
2N	US REALTY #	NY-UTY	3434	13.77	0.00	SEP	0.28	5.25	2.3	7.6	18.8	0.0	-61.9	2.0	18.0
2N	WALTER RLTY #	OC-WALJS	1035	8.13	0.00	OCT	0.35	4.75	0.0	2.6	13.6	0.0	-41.6	4.3	4.9
2N	WISCONSIN RE #	OC-WREIS	1514	9.32	0.00	SEP	0.32	2.50	0.0	53.4	7.8	0.0	-73.2	3.4	3.8
GROUP AVERAGE			2334	9.41	0.01		0.33	5.53	12.4	22.1	16.9	0.2	-41.3	3.5	144.0
MTG & FORECLOSED PROP-NON-QUALIFIED-INDEPENDENT MGMT															
4N	BUILDERS INV	OC-BULDS	2929	0.04	0.00	SEP	0.00	2.38	-9.5	0.0	0.0	0.0	5850.0	0.0	7.0
2N	CAPITAL MTG	PH-CMU	1675	-1.05	0.00	DEC	0.19	1.38	22.1	56.8	7.3	0.0	-0.0	-0.0	2.3
5N	VJCITIZENS MTG	OC-CZM	1421	-17.17	0.00	SEP	0.00	0.38	0.0	52.0	0.0	0.0	-0.0	-0.0	0.5
2N	COMPASS INV GP	OC-CMPSS	3067	4.00	0.00	SEP	2.99	1.38	16.0	10.4	0.5	0.0	-65.5	74.8	4.2
4N	VJCONTINENTAL MTG	OC-CMI	20838	-6.65	0.00	JUL	0.09	0.38	58.3	100.0	4.2	0.0	-0.0	-0.0	7.9
3N	COUSINS M&E	NY-CUZ	3854	1.23	0.00	NOV	0.22	2.88	0.0	9.5	13.1	0.0	134.1	17.9	11.1
2N	DIVERSIFIED MTG	NY-DMG	7326	8.44	0.00	SEP	0.00	3.88	-3.0	6.9	0.0	0.0	-54.0	0.0	28.4
3N	VJDOMINION M&R	OC-DMRTS	639	-9.68	0.00	NOV	0.24	1.13	13.0	28.4	4.7	0.0	-0.0	-0.0	0.7
2N	EASTOVER CORP	OC-EASTS	1034	12.44	0.00	DEC	0.57	8.50	6.3	13.3	14.9	0.0	-31.7	4.6	8.8
2N	FIRST MORTGAGE	OC-FMTGS	8495	-5.98	0.00	JUL	0.01	0.69	9.5	9.5	69.0	0.0	-0.0	-0.0	5.9
2N	FIRST NEWPORT R	OC-FNRIS	2339	3.07	0.00	OCT	0.00	1.88	25.3	36.2	0.0	0.0	-38.8	0.0	4.4
3N	FIRST VIR REIT	OC-FVM	1208	6.89	0.00	SEP	0.56	2.50	66.7	81.2	4.5	0.0	-63.7	8.1	3.0
5N	VJGREAT AMER M&I	OC-GAA	4456	-11.90	0.00	OCT	0.70	1.13	126.0	197.4	1.6	0.0	-0.0	-0.0	5.0
2N	GROWTH RLTY	NY-GRW	2059	7.41	0.00	DEC	0.00	4.38	3.1	9.5	0.0	0.0	-40.9	0.0	9.0
5N	VJGUARDIAN MTG	PH-GMI	3000	-12.90	0.00	NOV	0.98	0.75	8.7	33.9	0.8	0.0	-0.0	-0.0	2.3
2N	HAMILTON INV	OC-HAMTS	2133	5.43	0.00	SEP	0.40	2.50	25.0	25.0	6.3	0.0	-54.0	7.4	5.3
1N	INSTITUTNAL	NY-INV	6074	2.88	0.00	OCT	0.00	2.00	-6.1	0.0	0.0	0.0	-30.6	0.0	12.1
2N	KENTUCKY PROPTY	OC-KMTGS	1100	2.61	0.00	AUG	0.00	2.38	11.7	11.7	0.0	0.0	-8.8	0.0	2.6
5N	LIFETIME COM	OC-LFTMS	6632	2.67	0.00	JUL	0.17	0.75	19.0	19.0	4.4	0.0	-71.9	6.4	5.0
2N	LINCOLN MTG	OC-LNMGS	1155	0.85	0.00	SEP	0.00	2.38	5.8	26.6	0.0	0.0	180.0	0.0	2.7
5N	VJMETROPLEX RLTY	OC-JMI	1184	1.06	0.00	SEP	1.04	0.63	0.0	65.8	0.6	0.0	-40.6	98.1	0.7
1N	MORAGA CORP	OC-MORA	1355	0.43	0.00	OCT	0.00	3.00	0.0	-4.2	0.0	0.0	597.7	0.0	4.1
3N	MTG INV WASH	OC-MINVS	2146	4.13	0.00	SEP	0.00	1.88	0.0	7.4	0.0	0.0	-54.5	0.0	4.0
4N	NATIONAL MTG	OC-NMF	3707	2.03	0.00	NOV	0.00	0.88	17.3	20.5	0.0	0.0	-56.7	0.0	3.3
5N	VJNJB PRIME INV	OC-NJB	1330	-7.15	0.00	AUG	0.00	2.00	60.0	100.0	0.0	0.0	-0.0	-0.0	2.7
5N	PLAZA REALTY	OC-PRISS	1114	0.73	0.00	SEP	0.00	0.81	-8.0	-8.0	0.0	0.0	11.0	0.0	0.9
3N	REPUBLIC MTG	NY-RMI	2107	3.90	0.00	SEP	0.00	2.25	28.6	63.0	0.0	0.0	-42.3	0.0	4.7
1N	TEXAS FIRST MTG	OC-TMRS	1055	7.95	0.00	DEC	0.00	4.00	18.3	33.3	0.0	0.0	-49.7	0.0	4.2
2N	TIERCO	OC-TIERS	1170	6.76	0.00	DEC	0.13	2.88	4.7	9.5	22.2	0.0	-57.4	1.9	3.4
4N	TRECO	OC-TRECS	2238	0.86	0.00	DEC	0.00	1.06	6.0	0.0	0.0	0.0	23.3	0.0	2.4
4N	UMET TRUST	NY-UAT	2109	-2.32	0.00	NOV	1.15	2.50	17.4	33.0	2.2	0.0	-0.0	-0.0	5.3
2N	WESTPORT CO	OC-WSPTS	2388	4.57	0.00	OCT	0.35	2.94	2.1	20.5	8.4	0.0	-35.7	7.7	7.0
GROUP AVERAGE			3229	0.49	0.00		0.31	2.14	10.5	20.5	7.0	0.0	339.4	62.8	170.9
MTG & FORECLOSED PROP-NON-QUALIFIED-COMCL BANK SPONSOR															
4N	AMER FLETCHER M	OC-AFM	1352	0.26	0.00	OCT	0.00	2.00	14.3	22.7	0.0	0.0	669.2	0.0	2.7
2N	CAMERON-BROWN	NY-CB	2016	8.42	0.00	DEC	1.27	3.25	12.8	23.6	2.6	0.0	-61.4	15.1	6.6
5N	CHASE MAN MTG	NY-CMR	5098	-6.04	0.00	NOV	0.00	1.00	33.3	100.0	0.0	0.0	-0.0	-0.0	5.1
NR	CITINATL DEV	OC-CIT16	600	13.63	0.00	SEP	0.30	8.00	1.5	6.7	26.7	0.0	-41.3	2.2	4.8
3N	CITZNS&SO RLTY	NY-CZS	3829	1.91	0.00	DEC	0.00	1.50	8.7	32.7	0.0	0.0	-21.5	0.0	5.7
2	CLEVELTRUST RLTY	OC-CTRS	2525	10.71	0.20	DEC	0.08	4.63	15.8	23.5	57.9	4.3	-56.8	0.7	11.7
2N	FIDELCO GROWTH	AS-FGI	1580	6.43	0.00	NOV	1.11	4.13	-8.2	0.0	3.7	0.0	-35.8	17.3	6.5
2N	FIRST DENVER MI	OC-FDEMS	1621	6.88	0.00	DEC	0.00	3.00	26.1	40.8	0.0	0.0	-56.4	0.0	4.9
1N	FIRST MEMPHIS	OC-FMEMS	1156	6.18	0.00	NOV	1.04	3.63	26.0	32.0	3.5	0.0	-41.3	16.8	4.2
3N	FIRST PENN MTG	NY-FPM	2961	2.50	0.00	OCT	1.17	1.88	-6.0	25.3	1.6	0.0	-24.8	46.8	5.6
3N	FIRST WISCONSIN	OC-FWMTS	1988	5.37	0.00	SEP	0.00	3.88	19.4	34.7	0.0	0.0	-27.7	0.0	7.7
5N	INDEPENDENCE MT	OC-INTGS	2500	-3.80	0.00	SEP	0.13	1.63	18.1	63.0	12.5	0.0	-0.0	-0.0	4.1
2N	MARYLAND REALTY	OC-MDRTS	760	9.59	0.00	AUG	0.16	3.50	-6.7	10.1	21.9	0.0	-63.5	1.7	2.7
2N	NW FINANCIAL IN	OC-NFINS	1510	14.35	0.00	SEP	0.12	8.50	0.0	4.6	70.8	0.0	-40.8	0.8	12.8
3N	TRI-SOUTH MTG	NY-TSI	2270	3.59	0.00	DEC	0.30	3.00	4.2	33.3	10.0	0.0	-16.4	8.4	6.8
2N	WACHOVIA RLTY	NY-WRI	3335	9.21	0.00	NOV	0.00	3.75	-3.4	-3.4	0.0	0.0	-59.3	0.0	12.5
GROUP AVERAGE			2194	5.57	0.01		0.36	3.58	6.0	17.0	10.1	0.3	-35.8	6.4	104.4
MTG & FORECLOSED PROP-NON-QUALIFIED-MISC FIN SPONSORS															
2N	ATLANTA NATL	OC-ATNAS	1273	8.96	0.00	NOV	0.00	4.25	-19.0	6.3	0.0	0.0	-52.6	0.0	5.4
3N	BARNES MTG INV	OC-BARNS	1910	10.32	0.00	SEP	0.00	2.50	0.0	33.0	0.0	0.0	-75.8	0.0	4.8
2N	CI MTG GROUP	PH-CI	4812	5.82	0.00	OCT	0.00	3.38	-3.4	12.7	0.0	0.0	-41.9	0.0	16.3
1N	GMR PROP	NY-GMR	2956	2.71	0.00	NOV	0.00	2.50	-4.9	33.0	0.0	0.0	-7.7	0.0	7.4
3N	IDS REALTY	OC-IDR	2409	3.65	0.00	OCT	12.01	2.13	13.3	54.3	0.2	0.0	-41.6	329.0	5.1
3N	SOUTH ATLANTIC	NY-SAT	2706	3.26	0.00	OCT	0.34	3.38	0.0	12.7	9.9	0.0	3.7	10.4	9.1
3N	STATE MUTUAL	NY													

CONVERTIBLE DEBENTURES

DEBENTURE	EX	MAT	INT (%)	CONV AT	RECENT PRICE	YIELD (%)	% CHNG	CONV PARITY	STOCK PRICE
ALAMAND CORP	OC	'91F	6.50	27.75	51.00	12.7	2.0	14.15	3.00
AMER CENTURY	AS	'90	7.00	21.00	58.13	12.0	1.1	12.20	3.38
AMER CENTY'B	NY	'91	6.75	28.00	56.25	12.0	0.0	15.75	3.38
AMER REALTY	OC	'84F	7.00	10.40	59.00	DEF	-1.6	6.13	2.38
BAIRD&WARNER	OC	'91	6.75	21.00	61.00	11.1	0.0	12.81	9.50
BANKAMERICA	OC	'90	6.75	21.00	78.00	8.7	0.0	16.38	12.25
BARNETT MTG	OC	'98	8.50	1.62	75.00	11.3	2.7	1.21	1.06
CAPITAL MTG	OC	'91F	6.50	33.00	51.00	12.7	2.0	16.83	1.38
CHASE MANHTN	OC	'97	11.63	2.25	42.00	DEF	13.5	0.94	1.00
CHASE MANHTN	OC	'96F	6.50	55.00	42.00	DEF	10.5	23.10	1.00
COMPASS GP	OC	'98F	8.25	1.35	102.00	8.1	4.1	1.37	1.38
CONN GENERAL	NY	'96	6.00	32.50	69.00	8.7	1.5	22.42	18.25
CONTINTL MTG	OC	'90	6.25	19.79	26.00	VJ	10.6	5.14	0.38
EQUITBL LF M	NY	'90	6.75	26.25	74.00	9.1	2.6	19.42	17.88
FIRST NEWPT	OC	'91F	6.75	27.50	50.00	13.5	4.2	13.75	1.88
FIRST PENN M	OC	'91F	6.75	8.65	50.00	13.5	8.7	4.32	1.88
FIRST UNION	NY	'91	7.00	13.00	85.38	8.2	0.4	11.09	11.25
FRANKLIN RLY	AS	'89	7.00	10.00	76.50	9.2	4.8	7.65	6.38
GRT AMER MI	OC	'91	7.00	35.50	21.00	VJ	61.5	7.45	1.13
HANOVER SQ R	AS	'92	7.25	21.00	76.25	9.5	-0.2	16.01	6.38
HEITMAN MTG	AS	'92	7.50	14.70	59.00	12.7	0.0	8.67	1.63
HOTEL INVSTR	OC	'90	7.75	21.00	82.00	9.5	1.2	17.22	17.25
HOTEL INVSTR	OC	'91	7.50	25.25	78.00	9.6	1.3	19.69	17.25
LINCOLN MTG	OC	'90	8.00	11.00	53.00	15.1	1.9	5.83	2.38
MASSMUTL MTG	NY	'90	6.75	21.00	76.38	8.8	0.3	16.03	13.88
MASSMUTUAL M	NY	'91	6.25	33.50	75.00	8.3	-0.1	25.12	13.88
MIDLAND MTG	OC	'86	7.00	16.67	53.00	13.2	1.9	8.83	1.75
MONY MTG IN	NY	'90	7.00	11.00	79.00	8.9	-0.1	8.69	7.88
MTG INV WASH	OC	'90	8.00	15.00	67.00	11.9	4.7	10.05	1.88
NJB PRIME	OC	'91F	6.75	21.00	40.00	VJ	25.0	8.40	2.00
NOWSTRN MUTL	NY	'91	6.00	21.00	71.50	8.4	-0.6	15.01	10.00
RAM PACIFIC	OC	'91	6.75	21.00	71.50	9.4	3.6	15.01	13.38
REALTY INCOM	AS	'91	8.00	18.00	73.00	11.0	6.8	13.14	11.63
REPUBLIC MI	NY	'90	9.00	19.00	90.13	10.0	0.0	17.12	2.25
SAUL (BF) RL	OC	'91	6.50	23.00	62.00	10.5	5.1	14.26	7.63
SAUL(BF) REI	OC	'90	8.00	15.50	75.00	10.7	4.2	11.62	7.63
STATE MUTUAL	AS	'91	6.75	21.00	69.00	9.8	1.5	14.49	4.75
SUTRO MIT	NY	'82	6.75	20.00	84.50	8.0	0.6	16.90	10.13
SUTRO MTG	AS	'91	6.75	20.00	68.50	9.9	3.8	13.70	10.13
TRI-SO / SR	PH	'88	10.00	2.50	120.00	8.3	14.3	3.00	3.00
TRI-SOUTH MI	NY	'92F	7.00	29.50	54.75	12.8	-0.4	16.15	3.00
US BANCORP	AS	'92	7.00	26.25	76.00	9.2	2.7	19.95	15.75
US REALTY IN	NY	'89	5.75	20.20	56.00	10.3	1.8	11.31	5.25
WESTPORT CO	OC	'91F	6.75	21.00	58.00	11.6	5.5	12.18	2.94

CONVERSION PARITY IS PRICE AT WHICH SHARES WOULD HAVE TO SELL TO JUSTIFY DEBENTURE PRICE. VJ-IN BANKRUPTCY REORGANIZATION. F-TRADES FLAT, WITHOUT ACCRUED INTEREST. DEF-IN DEFAULT. COMPASS GP ALSO TRADES UNDER BARNETT-WINSTON INV TRUST. BARNETT MTG. TRANSFERRED FROM STRAIGHT BONDS.

WARRANTS

NAME	EXCH/ SYMBOL	EXP DATE	OUT (000)	EXER PRICE	NO. SH.	WTS PRICE	STK PRICE	CONV PREM	% CHG	MKT VA (MIL\$)
BARNES MTG	O-BARNW	12/82	1910	20.00	1.0	0.03	2.50	701.2	0.0	0.1
CAPITAL MTG	O-CMORW	11/79	471	16.59	1.0	0.01	1.38	1102.9	0.0	0.0
CI MTG	PH-CI.W	3/80	2854	20.00	1.0	0.06	3.38	493.5	100.0	0.2
CITIZNS&SO-B	PS-N/A	4/83	258	2.00	50.0	8.00	1.50	44.0	33.3	2.1
FLATLEY RLTY	O-FLTLW	5/79	1000	10.00	1.0	0.13	3.50	189.4	0.0	0.1
JMB REALTY	O-JMBRW	8/82	510	20.00	1.0	0.50	15.50	32.3	0.0	0.3
M&T MTG INV	O-MTMIZ	8/80	747	13.00	1.0	0.25	9.75	35.9	92.3	0.2
MTG INV WASH	O-MINWV	3/80	931	15.00	1.0	0.03	1.88	699.5	0.0	0.0
NORTH AM MTG	A-NAMW	3/79	710	31.13	1.0	0.01	3.00	938.0	0.0	0.0
REPUBLIC MI	A-RMIW	6/79	1064	20.00	1.0	0.01	2.25	789.3	0.0	0.0
SAN FRAN REI	A-SFIW	12/80	1348	25.00	1.0	0.75	19.25	33.8	0.0	1.0
SECURITY MT*	A-SMOW	5/79	3117	16.00	1.0	0.02	3.63	341.3	0.0	0.1
SUTRO MIT(B)	A-SUTW	6/82	700	20.00	1.0	0.94	10.13	106.7	6.8	0.7
UNITED RLTY	A-URTW	12/79	3610	20.00	1.0	0.06	8.88	125.9	0.0	0.2

*DEBENTURES USABLE IN LIEU OF CASH.

WTS PRICE OF .01 INDICATES TRADING IN MILLS.

NOTE: BUYERS ARE CAUTIONED THAT SPREADS BETWEEN BID AND ASKED PRICES FOR WARRANTS ARE VERY LARGE AND PRICES MAY VARY SIGNIFICANTLY.

NON/LOW EARNING INVESTMENTS AS OF FEBRUARY 20, 1979

	Number	Non/Low-Earn.	Total	% Non- and low-earning	% Change in month
PROPERTY.....	31	\$ 80M	\$ 2,032M	4%	-1.7%
PROPERTY & MTG.....	23	388	1,865	21	-7.4
SHORT/TERM MTG.....	11	142	717	19	-8.8
L/T MTG/PROPERTY....	13	279	1,701	16	-4.4
MTG/FORECLOSED PROP.	62	4,181	5,834	72	-3.6
TOTALS/AVERAGES....	140	\$5,069M*	\$12,148M	42%	-4.3%

* Includes \$1,031M or 8.4% low-earning assets. M=Million.

HOW TO USE COMPARATIVE TRUST STATISTICS

These data are designed to facilitate comparison of relative efficiency of real estate investment trust managements with available funds. Readers should note that historical data are used and thus no earnings or dividend projections or estimates are included. Investors are advised to consider carefully the following distinctive characteristics of REITs compared with other industrial or financial securities:

Annualized Dividend and Yield: Most REITs do not pay a posted quarterly dividend rate but instead pay their approximate earnings (or net cash flow, if appropriate) for the quarter. They follow this practice because REITs are required to pay at least 90% of earnings to shareholders in order to qualify for exemption from Federal income taxes. This practice means that dividends paid by most REITs will vary much more from quarter to quarter than industrial securities. This possibility for quarterly variations gives REIT shares higher risk because earnings do not provide a safety margin of coverage for the dividend as they do for industrial stocks. The outlook and stability of dividends are thus key factors in our RELATIVE APPEAL RANKINGS. The "Annualized Dividend" column is the latest quarterly payout annualized by multiplying by four, and adjusted for any capital gains or other special dividend payments. Special dividends, marked "S", are paid to maintain tax exemption but are not expected to be continued in subsequent quarters. Because of these possible variations, annualized dividends and yield are not to be considered in any way as posted or guaranteed yields.

Annualized Earnings and Price/Earnings Ratio: For mortgage trusts, latest quarter earnings are multiplied by four. Zeroes indicate losses or no earnings for the quarter indicated. Losses per share are shown in RELATIVE APPEAL RANKINGS. For equity trusts, annualized net cash flow as calculated by Audit Investment Research, Inc. is used in place of earnings as the best single measure of results. Net cash flow is defined as net income plus depreciation minus mortgage amortization. The symbol "#" indicates cash flow in the earnings column. For a few trusts, gross cash flow (i.e., net income plus depreciation) is used, denoted by "A". Cash flow derived from amortization of debt discount is denoted by "@". The price/earnings ratio relates current price to the most appropriate earnings result. Both earnings (EPS) and net cash flow (CFS) per share for equity trusts for current periods are shown in RELATIVE APPEAL RANKINGS.

Shares: The number of shares outstanding, in thousands, is the number issued as of the latest balance sheet and is not adjusted for any potential conversion of debentures, exercise of warrants, or common equivalents which may have been used in earnings per share computations.

Book value per share is essentially tangible net worth per share after deduction of intangible items such as debt discount, unamortized debt expenses, and goodwill if any. Book value does not reflect any changes in asset values through appreciation but does reflect deduction of a reserve for possible future investment losses computed under AICPA rules. Accumulated depreciation is added back to net book value for trusts whose results are reported on a cash flow basis (see above) and denoted with the "H" symbol, as a means of approximating market value of properties. Components of this adjusted book value are reported in RELATIVE APPEAL RANKINGS.

EARNINGS TRENDS: HIGH RATES BITE SOME DIVIDEND PAYERS WHILE OTHERS GAIN

Sky-high interest rates are hurting earnings for many dividend paying trusts — although in some cases the worst bite may already be behind.

Equitable Life Mtg. & Rlty., for instance, saw earnings fall to 46¢/sh. in the Jan. quarter, off 10% and 4% from the previous and year-ago quarters respectively. EQ has been the largest volume short-term mortgage lending trust in recent years, layering short-term construction and land development loans atop an initial base of long-term mortgages so that now about 58% of assets are short-term loans (yes, the type of loan that knocked the pins from under many less astute REIT lenders in 1973-75).

For about a year EQ's spread on its leveraged portion of short-term loans has been shrinking, falling to 1.35% at Jan. 31, vs. 1.51% a quarter ago and 1.87% a year ago. That shrinking spread sliced 8¢/sh. from annual earning power in the latest quarter alone and 24¢/sh. from last year. Offsetting this shrinkage, EQ benefitted by about 6¢/sh. in the Jan. quarter from several items, including 2¢/sh. from sale of foreclosed condominiums and 4½¢/sh. from gains on sale of an investment apartment and fee from early repayment of a long-term mortgage. This has been the pattern of recent quarters, with special items taking up the slack from narrowing spread. Gradual reduction of nonearning investments, now down to 7½% of assets, has also helped.

EQ's thinner spread has been widely advertised, thanks in no small part to the trust's forthright reporting of the anatomy of its EPS. All of which raises the strong presumption that EQ shares will become a screaming buy somewhere in here at 24% below the \$23.43/sh. book value. Clearly earnings aren't going to fall apart and if an income-oriented investor is willing to accept risk of a possible modest dividend cut (which could melt the 11.1% yield) and high rates that may last another year, then the stock may be a buy now, on the pre-

mise that once the rate peak is clearly behind, the stock price may be higher. Notwithstanding, we rank EQ shares as No. 3 - Average because of our belief that high interest rates will continue to limit price potential this year.

BankAmerica Realty Inv. is in almost exactly the same situation but is steering a different course: shares sell 28% below book value and the \$1 dividend yields about 8.1%. The Jan. quarter 42¢/sh. EPS included 16¢/sh. from condemnation of land adjoining a Phoenix shopping center. A 1% interest rate swing cuts 22¢/sh. from annual earning power. BARI has been slimming assets and is stressing equity investments to reduce this vulnerability. During Jan. it joined with Realty & Mtg. Inv. of the Pacific to buy a \$7 million land leasehold on Westgate center, San Jose. We rank the shares No. 1 - Highest appeal for longer-term benefits of this transition to properties.

Other trusts feeling the interest sting were Realty ReFund Trust and American Century Mtg. Realty ReFund's Jan. quarter of 41¢/sh. was down but not as sharply as expected; RRF sold two issues of fixed-rate bonds during 1978 and although coupons of 11-3/8% and 12% were high, the sales have reduced further vulnerability. American Century's banks moved interest on \$52 million bank debt from 5% to 10% in the Dec. quarter and thereby sliced EPS by 16¢/sh. from the preceding quarter. The probable impact: ACT will hasten asset liquidation to repay banks before Dec. 1981 maturity.

This weakness in the mortgage trusts contrasts with continued strength in the property (equity) trusts. General Growth Props., Gould Investors, San Francisco RE, and Washington REIT all reported good cash flow gains and the latter two boosted payouts (see p. 3). San Francisco benefitted from purchase of a 29-story St. Paul, Minn. bank building and reduction of nonearning investments to about 5% by year-end. Earnings per share rose 57% in 1978 and funds available for distribution after remodeling reserves rose 39% (we report net cash flow data in the table on p. 8).

General Growth Props. reported another strong quarter, which included a 3¢/share gain on property sales. GGP trustees are considering an offer by owners of 15% of shares to buy all remaining stock for \$28/sh. cash or \$30/sh. notes. Gould Investors recorded a strong Dec. quarter, which also included 22¢/sh. gain on asset sales.

Recovery trusts continue to rebuild book value by a variety of special gains. Continental Illinois Realty was most notable beneficiary

New Earnings Reports

Trust-Period ended	—Latest quarter—		-Prev. Q-	-Yr. Ago Q-	-% Chng. From—	
	Th. \$/Spec'l	EPS/Spec'l	EPS/Spec'l	EPS/Spec'l	Prev. Q	Yr. ago Q
Quarterly results: Qualified trusts:						
Amer. Century....Dec..	d433	d\$0.17	d0.07	d0.13	Worse	Worse
BankAmer. Rlty....Jan..	1,500/560G	0.42/16cG	0.32	0.18	-19%*	+44%*
BT Mtg. Inv....Dec..	457	0.22	d0.47/41cG&S	d0.05/12cG&S	Better	Better
Central Mtg. Inv....Dec..	469/258G	0.60/33cG	0.54/32cG	0.04	+23%*	+57%*
Cont. Ill. Rlty....Dec..	9,603/1961G & 7339Y	3.44/70cG & \$2.62Y	0.61/96cS	0.66/1.52S	Better	Better
Equit. Life M&R....Jan..	2,611/355G&R	0.46/6cG&R	0.51	0.48	-10	-4
Gen'l. Growth....Dec..	2,354/205G	0.38/3cG	0.40/2cG	0.34/2cG	-8*	+9*
"-CFS....Dec..	3,131/205G	0.50/3cG	0.39/2cG	0.37/2cG	+27	+34
Gould Investors....Dec..	579/253G	0.49/22cG	0.33/2cG	0.37/16cG	-13*	+29*
"-CFS....Dec..	661/253G	0.56/22cG	0.33/2cG	0.47/16cG	+3*	+10*
Indiana Mtg.&Rl....Dec..	d99	d0.09	0.09	d0.02	Worse	Worse
Investors Rlty....Nov..	233	0.16	0.12	0.51/91cG	+33	Better*
Prop. Capital Tr.Jan..	689	0.33	0.30/10cG	0.30	+10	+10
RE Inv. Props....Dec..	229	0.24	0.31	0.23	-23	+4
Realty Refund....Jan..	561	0.41	0.42	0.53	-2	-23
San Francisco RE....Dec..	459	0.33	0.29	0.27	+14	+22
"-CFS....Dec..	553	0.40	0.35	0.35	+14	+14
Security Mtg....Dec..	d77	d0.01	d0.03	d0.02	Better	Better
Washington REIT....Dec..	795	0.52	0.38	0.48	+37	+8
Quarterly results: Nonqualified business trusts:						
Atlanta Nat. RE....Nov..	d37	d0.03	0.14	d0.78	Worse	Better
Cameron-Brown Inv....Dec..	2,570/1150S	1.27/57cS	0.09/36cS	d0.48	Better*	Better
Capital Mtg. Inv....Dec..	326/422S	0.19/25cS	d0.01/19cG	0.11/49cS	Better*	Better*
C.I. Mtg. Inv....Oct..	d157	d0.03	d0.23	d1.50	Better	Better
Cit. & So. Rlty....Dec..	d582/167S	d0.20/2cS	1.77/1.86S	0.25/30cX	Worse	Worse
Clevert Trust Rlty....Dec..	39	0.02	0.22/45cG	d0.01/16cG	Better*	Better
Eastover Corp....Dec..	593/304N & 521G	0.57/29cN & 50cG	0.53/40cR	0.02	+8	NM
First Denver Mt....Dec..	d155	d0.10	0.71/31cS&N	2.55/2.42S	Worse*	Worse*
First Memphis Rl....Nov..	1,199/d511S	1.04/d44cS	0.55/49cG & 0.01/10cS	0.66cS	Better	Better
First Newport Rl....Oct..	d843	d0.36	0.14	d0.78	Worse	Better
Franklin Rlty....Dec..	202/30G	0.20/3cG	0.01	0.24	NM	-17
Guardian Mtg....Nov..	2,917/1450N	0.98/48cN	0.59/28cN	d1.18/45cS	Better	Better
Growth Rlty....Dec..	d524	d0.25	d0.39	3.77/4.08I	Better	Better*
Midland Mtg. Inv....Dec..	140/343T	0.06/14cT	0.05	d0.09/47cS	+20	Better
Saul (B.F.) REIT....Dec..	d740/58G	d0.12/1cG	d0.20/7cG	d0.29	Better	Better
Summit Props....Oct..	d1,845	d0.96	d0.16/10cG	d0.05/29cG	Worse	Worse
Texas First Mtg....Dec..	d80	d0.08	0.03	0.18/16cG	Worse	Worse*
TIERCO....Dec..	155/13S	0.13/1cS	0.12	0.69/1.11S	Worse	Better*
TRECO....Dec..	d293	d0.13	0.04	d0.72	Worse	Better
Tri-South Mtg....Dec..	685/330S	0.30/15cN	1.34/1.20Z	d0.61	+7*	Better
UMET Trust....Nov..	2,421/548R1	1.15/2.60I & 82cS	d0.72/13cI	d1.99/16cS&G	Better	Better
Annual results: All trusts:						
Cameron-Brown....Dec..	2,027/4155S	1.01/2.06S	d1.58	---	---	Better
Capital Mtg....Dec..	202/2186S	0.12/1.31S & d0.85	d2.06/1.52S&G	---	---	Better
C.I. Mtg. Group....Oct..	d4,104	d0.85	d1.97/49cS	---	---	Better
Eastover Corp....Dec..	1,540/778N & 4811Y, 521G	1.51/76cN & 478cY, 50cG	d0.93	---	---	Better
First Memphis Rl....Nov..	2,851/1597S	2.47/1.38S	d0.69/31cS	---	---	Better
First Newport Rl....Oct..	d2,417	d1.03	18.58/24.82 Sz	---	---	Better*
Investors Realty....Nov..	999/137G	0.65/9cG	0.39/93cG	---	---	Better*
Realty Refund....Jan..	2,416	1.81	2.27	---	---	-20
San Francisco RE....Dec..	1,516	1.10	0.70	---	---	+57
"-CFS....Dec..	1,872	1.36	0.98	---	---	+39
Summit Props....Oct..	d1,846	d1.20	d0.20	---	---	Worse
TIERCO....Dec..	886/762S	0.75/65cS	2.25/2.35S	---	---	Better*
Tri-South Mtg....Dec..	3,097/334S&Z	1.37/1.48S&Z	d0.74/1.41S	---	---	Better
UMET Trust....Nov..	d4,697/5773I & 61722S	d2.23/2.74I & 82cS	d3.50/6cS	---	---	Better
Washington REIT....Dec..	2,584	1.70	2.72/1.66G	---	---	+2*

UC=Unchanged. NM=Not meaningful. r=Restated. p=Preliminary. d=Deficit.

#—Special items included in both thousand dollar and share amounts are: G=Gain on sale of assets; I=Interest forgiveness; L=Loss on sale of assets; N=Net operating loss (NOL) benefit; R=Recovery of past-due interest or prepayment fees; S=Swap of assets with banks; T=Gain on market purchase of debt at discounts; W=Gain (loss) on mortgage re-financing; X=Settlement with adviser, sponsor or insurance company; Y=Loss reserve credit; Z=Gain on debt restructuring via exchange or tender offers.

** Comparisons are based upon earnings per share. Where loss is reported in one or both quarters, change in direction is shown as "Better" or "Worse."

* Compared before special items.

—EPS based on average shares outstanding for Cit. & So. Rlty. and First Memphis.

with a \$3.44 Dec. quarter including 70¢/sh. gain on asset sales and \$2.62/sh. credit from reversing amounts from loss reserves no longer needed upon sale of related assets. This more than doubled book value.

UMET Trust also weighed in with massive (and long expected) gains in the Nov. quarter, last of its fiscal year, of \$2.60/sh. interest forgiveness and 82¢/sh. gain on asset swaps with banks. Alas, UMET also added \$2.19/sh. to its loss reserve and ended the year with about \$2.32/sh. negative book value. Withal, the stock has become a takeover target (RTR, Jan. 26).

Capital Mtg. Inv. also closed its Dec. fiscal year with a profit quarter, thanks to 25¢/sh. asset swap gains. But CMI ended the year with negative book value and said it was in default on its credit agreement with seven banks. CMI was supposed to begin paying 3% interest on Jan. 1 but has asked continuation of the old 1% rate until July 31. A merger proposal is pending (Jan. 26).

Eastover Corp., rapidly becoming a closed-end investment company, chalked up \$1.51/sh. net for 1978, including 76¢/sh. net operating loss carryforward benefits, 78¢/sh. reversal of loss reserves, and 50¢/sh. asset sale gains. Book value is now boosted to \$12.48/sh. Growth Realty restructured into a corporation and reported 25¢/sh. red ink in the Dec. quarter. New preferred stock has been authorized for use in an acquisition hunt as GRC aims to create a nationwide full-service real estate brokerage network. First Newport Realty lost 36¢/sh. in the Oct. quarter but is making progress: 49% of assets are fully earning, and it sold assets for about 43¢/sh. gain, to be in Jan. quarter results.

Other sale and swap gains pending include C.I. Mtg. Group, about \$47 million or \$9.68/sh. in the Jan. quarter; book value is now \$6.44 positive; First Penn. Mtg., about 6¢/sh. in the Jan. qtr.